

## CLAIMS

1. A method of insuring military reserve component personnel for reduction of income due to active military duty, the method comprising:

5       collecting payments on behalf of a reservist, amounts of the payments being based upon civilian income of the reservist and desired compensatory income during times of active military duty; and

      providing the desired compensatory income for the reservist during at least a portion of a first time period of active military duty of the reservist in response to  
10       receiving a request for compensatory income on behalf of the reservist.

2. The method of claim 1 wherein the payment amounts are further based on at least one personal factor associated with the reservist.

15       3. The method of claim 2 wherein the at least one personal factor is at least one of an age of the reservist, length of occupation of the reservist in the reservist's current civilian occupation, length of occupation of the reservist in the reservist's current military occupation, formal academic background of the reservist, marital status of the reservist, number of household dependents of the reservist, military pay grade of the  
20       reservist, number of years of military experience, number of years of civilian employment, level of military responsibility, whether and how many troops the reservist commands at the reservist's military occupation, and level of civilian-employment responsibility.

25       4. The method of claim 1 wherein providing the compensatory income is inhibited until at least one of a first threshold cumulative total of payments is collected, a second threshold of number of payments is collected, and a third threshold of a designated time period during which payments have been collected elapses.

5. The method of claim 1 wherein at least a portion of the compensatory income is provided during a second time period after the first time period, wherein the reservist is off active military duty during the second time period.

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6. The method of claim 1 wherein the compensatory income includes a desired replacement income for paying a person to replace the reservist at the reservist's civilian occupation while the reservist is on active military duty, and wherein the payment amounts further depend upon the desired replacement income.

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7. An insurance policy for military reserve component personnel for compensating for reduction of income due to active military duty, the insurance policy comprising provisions for:

collecting payments, amounts of the payments being based upon civilian income of a reservist and desired compensatory income for the reservist during at least times of active military duty of the reservist;

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receiving a request for compensatory income; and

providing the desired compensatory income during at least a portion of a time period of active military duty of the reservist.

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8. The policy of claim 7 wherein the payment amounts are further based on at least one personal factor associated with the reservist.

9. The policy of claim 8 wherein the at least one personal factor is at least one of an age of the reservist, length of occupation of the reservist in the reservist's current civilian occupation, length of occupation of the reservist in the reservist's current military occupation, formal academic background of the reservist, marital status of the reservist, number of household dependents of the reservist, military pay grade of the

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reservist, number of years of military experience, number of years of civilian employment, level of military responsibility, and level of civilian-employment responsibility.

5           10.     The policy of claim 7 further comprising a provision to inhibit the compensatory income from being provided until at least one of a first threshold cumulative total of payments is collected, a second threshold of number of payments is collected, and a third threshold of a designated time period during which payments have been collected elapses.

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          11.     The policy of claim 10 wherein the provision to inhibit the compensatory income from being paid allows a portion, less than a full amount, of the compensatory income to be paid before at least one of the first threshold cumulative total of payments is collected, the second threshold of number of payments is collected, and the third  
15 threshold of the designated time period during which payments have been collected elapses.

          12.     The policy of claim 7 further comprising a return of premium provision for returning a portion of the payments collected if at least one return condition is satisfied,  
20 the payment amounts further depending upon election of a return of premium option.

          13.     The policy of claim 12 wherein the return condition is at least one of that no requests for compensatory income are received, and that compensatory income provided under the plan is below a threshold level relative to a sum of payments collected  
25 under the insurance plan.

          14.     An insurance policy for military reserve component personnel for compensating for reduction of income due to active military duty, the insurance policy

comprising provisions for:

collecting payments, amounts of the payments being based upon desired compensatory income for a reservist during at least times of active military duty of the reservist;

5        providing the desired compensatory income during at least a portion of a first time period of active military duty of the reservist; and

providing at least a portion of the compensatory income during a second time period after the first time period, wherein the reservist is off active military duty during the second time period.

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15.     The policy of claim 14 wherein the amounts of the payments are also based upon civilian income of the reservist.

16.     An insurance policy for military reserve component personnel for  
15     compensating for reduction of income due to active military duty, the insurance policy comprising provisions for:

collecting payments, amounts of the payments being based upon desired compensatory income for a reservist during at least times of active military duty of the reservist; and

20        providing the desired compensatory income during at least a portion of a time period of active military duty of the reservist;

wherein the compensatory income includes a desired replacement income for paying a person to replace the reservist while the reservist is on active military duty; and

wherein the payment amounts depend upon the desired replacement income.

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17.     The policy of claim 16 wherein the amounts of the payments are also based upon civilian income of the reservist.

18. An insurance policy for military reserve component personnel for compensating for business impact of the personnel's absence due to active military duty, the insurance policy comprising provisions for:

- 5 collecting payments, amounts of the payments being based upon desired compensatory income that is based on expected financial impact on a business of a reservist's absence during at least times of active military duty of the reservist; and providing the desired compensatory income during at least a portion of a time period of active military duty of the reservist.

- 10 19. The policy of claim 18 wherein the amounts of payments are based on at least one of number of reservists in the business and likelihood of the reservist(s) being mobilized.

- 15 20. The policy of claim 18 wherein the desired compensation is at least partially dependent on at least one of a number of persons mobilized, length of expected mobilization(s), and estimated cost due to the mobilization(s) based upon prior profitability of the business.